

Virginia Department of Medical Assistance Services Reimbursement for IEP Related Special Transportation

The school division costs for transportation as a Medicaid, Medicaid Expansion and Family Access to Medical Insurance Security (FAMIS) service may be reimbursed when the following conditions are met: (1) special transportation is specifically listed in the IEP as a required service; (2) the child requires transportation in a vehicle adapted to serve the needs of the disabled; and, (3) a medical service is provided on the day that special transportation is billed.

Total IDEA special transportation costs are computed following the approved Medicaid State Plan as approved by CMS. Reimbursement is cost based and must exclude all costs funded by federal grants. No costs used to determine an indirect cost rate may be claimed as a direct cost for transportation reimbursement.

Final reimbursement for these services is determined by the IEP Related Special Transportation Cost Report. DMAS pays the school division the federal share of the certified costs for these services.

Cost Collection

Collect non-personnel cost information incurred during the fiscal year for fuel, repairs and maintenance, capital costs, insurance, rentals and contract vehicle use. Exclude any costs that are part of the unrestricted indirect cost rate. Exclude any portion of the costs funded by federal grants or are a required state or local match on federal grants. For the rate year ending June 30, 2007 cost may be reported on a cash basis but must be reported on an accrual basis thereafter.

Capital costs are allowed to the extent that they are used exclusively for special transportation. This includes specialized/adapted buses but specifically excludes items that support administrative and/or educational activities. Therefore, capitalized items such as computers and copier machines should not be included in depreciation cost. Capital costs should be depreciated if the value is over \$5,000 and the estimated useful life is over two years. School divisions must use the depreciation schedule (Section 2A) to record all capital items and send in copies of the purchase invoice. School divisions must maintain copies of the original purchase

invoice. School division providers should use a straight line method of depreciation. The useful life of any depreciated item must be determined by using guidelines developed by the National Association of State Directors of Pupil Transportation Services. . School districts may not recapitalize items with a useful life that exceeds the original estimate.

Collect salary and benefit information or contracted payments for every individual involved in the driving and maintenance of special transportation which the school is seeking Medicaid reimbursement in the fiscal year. The school may not include personnel engaged in supervisory activities or personnel performing administrative support activities such as route planning. Salary and benefit cost report should include only “hands-on” providers such as bus drivers and non supervisory mechanics. Bus aides should not be reported on this cost report. Salary cost associated with allowed personnel must be adjusted down for any sources of Federal funding. If any personnel is 100 percent Federally funded, that person should be excluded from this cost report. The provider is expected to maintain supporting detail for all reported cost, including personnel and non personnel cost. You must track funding sources for personnel because only state and local funding is carried forward as a potentially reimbursable cost. For individuals, such as mechanics, who provide services for all transportation (not just special education transportation), allocate costs using the ratio of special transportation buses divided by all buses.

To the extent that any allowed cost for transportation is reported as shared between regular and specialized transportation, there must be an allocation of cost between the programs. For example, a mechanic may work on buses for both programs but his/her salary may not be reported as such in the accounting records. In these instances, the provider should allocate cost using the ratio of specialized buses/vehicles owned by the provider to total regular transportation buses/vehicles owned by the provider.

Reimbursable Cost Percentage

School divisions can use the quarterly eligibility report to identify Medicaid or FAMIS recipients age 3 thru 22 living in the school division geographical area. School divisions should identify Medicaid, Medicaid Expansion, and FAMIS students who have transportation in their IEP and use exclusive buses for school transportation. This information should be matched to the

one way trip information to determine if the logged one way trips is a reliable source of data..

Reimbursement will be based on the ratio of one way trips provided on days when any service is provided pursuant to an IEP to students covered by either Medicaid, Medicaid Expansion or FAMIS divided by total one way trips for students receiving special transportation services. In order to determine these ratios school staff must keep trip logs for exclusive buses (attachment A). Trip logs must include all students riding the bus.

Distribution of Cost Reports by DMAS

Clifton Gunderson, the DMAS cost settlement contractor, will mail cost report forms to school divisions by September 30 each year. Cost reports may also be downloaded from the DMAS web site.

Filing Deadline and Certification

School divisions will submit cost reports within five months of the close of the fiscal year (November 30) to

Clifton Gunderson
4461 Cox Road, Suite 210
Glen Allen, VA 23060

The school division superintendent or his authorized designee will certify costs annually using the cost report forms sent by DMAS to each school division. School divisions should submit one paper copy with the signed certification and a disc with the Excel cost report. School divisions should submit additional documentation of costs as needed.

Cost Settlement and Payment Reconciliation

DMAS will settle cost reports and reconcile payments within six months of the date the cost report is received by Clifton Gunderson.

Virginia Department of Medical Assistance Services IEP Related School Based Transportation

The cost report has five sections. Complete shaded areas or below shaded headings only.

Section 1 – School Division General Information

Informational data will be used throughout the cost report where needed. Once this information is entered here the spreadsheet will autopopulate the remaining cells where this same information is needed.

Cells with automatic calculations are locked to prevent direct data entry. Please only enter data in cells that are blue.

Col. B, Ln. 8 – Enter Name of Superintendent
Col. B, Ln. 9 – Enter Name of Finance Director
Col. B, Ln. 10 – Enter Phone Number of Finance Director
Col. B, Ln. 11 – Enter Email Address of Finance Director
Col. B, Ln. 12 – Enter Address
Col. B, Ln. 13 – Enter Address Line 2
Col. B, Ln. 14 – Enter City, State and Zip
Col. B, Ln. 16 – Enter the fiscal year that is being reported
Col. B, Ln. 18 – Enter the Unrestricted Indirect Cost Rate provided by the Department of Education for the applicable fiscal year.
Col. B, Ln. 21--24 – Enter the Trip Log information per “Reimbursable Cost Percentage” instructions.
Col. C, Ln. 21-24 – The Reimbursable Cost Percentages will calculate automatically.

Section 2 – Non-Personnel Costs

Enter the associated costs in column B from financial system. Total IDEA special transportation costs are computed following OMB Circular A-87 guidelines for allowable costs. Capital costs are allowable if used exclusively for special education transportation. Enter capital costs you would like to claim in Section 2A and this will automatically transfer to Section 2. **Please sign and date where indicated. This affirms that all information is correct.**

Section 3 – Annual Salary, Benefit and Contract Costs

Insert rows in the blue highlighted areas to accommodate all the personnel you wish to include. Insert complete rows by clicking on the row numbers in the grey area on furthest left side of the spreadsheet (do not shift cells down, you must insert complete rows). Keep job categories together in the appropriate sections. Copy formulas in columns W through AA along with the rows that have been inserted.

A. Personnel Information

Col. B – Enter employee's social security number, employee ID or contractor's FEIN

Col. C – Enter employee's last name

Col. D – Enter employee's first name

Col. E – Enter employee's job title

Col. F – Enter an "E" for employee or "C" for contractor

B. Funding and Percentages (Round to a whole percent)

Col. G – Enter the percentage of employee's salary that is funded by state/local funds. Exclude any state/local funds that are a required match for federal grants. Enter a percentage for these funds in Column K for other funding sources.

Col. H – Enter the percentage of employee's salary that is funded by IDEA funds.

Col. I – Enter the percentage of employee's salary that is funded by other federal funds.

Col. J-K – If an employee's salary is funded by any other source, enter funding source in Col. J and percentage in Col. K. Use this column for state/local funds that are a required match for federal grants.

Col. L – Is the sum of columns G, H, I and K. It will be calculated automatically. NOTE: Col. L should equal 100% for each employee even if it is a part-time employee or contractor.

C. Annual Salary and Benefits (Round to the nearest dollar)

Col. M – Enter amount of employer retirement contribution for each employee.
Col. N – Enter amount of employer paid group health insurance for each employee.
Col. O – Enter amount of employer paid dental insurance for each employee.
Col. P – Enter amount of employer paid Medicare tax for each employee.
Col. Q – Enter amount of employer paid FICA tax for each employee.
Col. R – Enter amount of other benefits.
Col. S – Enter amount of annual salaries paid for each employee.
Col. T – Enter amount paid to each contractor annually.
Col. U – Sum of columns M – T. It will be calculated automatically.
Col. V – Col. G times Col. U. It will be calculated automatically. **Only costs from this column can be claimed for reimbursement.**
Col. W-Y – Col. H, J and K times Col. U. They will be calculated automatically.
Col. Z – Sum of columns V – Y. It will be calculated automatically.
NOTE: Col. Z should equal Col. U. Col. AA is a check column. If not equal to zero, then check funding percentages.

Section 4 – Personnel Cost

This section automatically calculates Medicaid, Medicaid expansion and FAMIS personnel costs for special transportation. No input is required. However, **please sign and date where indicated. This affirms that all information is correct.**

Section 5 – Reconciliation

This section automatically calculates the federal financial participation in Col. F, which is the final reimbursement for the school division. If there have been interim payments, DMAS will report them in Col. G and the amount due the school division (DMAS) will be calculated automatically in Col. H.

Section 6 – Certified Public Expenditure (CPE)

This form certifies all of the school division's expenditures for special transportation services. The Certification of Public Expenditure is necessary so that the State may claim matching funds or federal financial

participation (FFP) from the federal government. Financial data and information are automatically filled in. Please sign and have notarized. Return with your completed cost report according to instructions.

Attachment A: Trip Log

Bus Route Number:

Week 1 Ending MM/DD/YYYY

Week 2 Ending MM/DD/YYYY

Driver's Name:

Student's Name

Sample Student

Notes

Place an X in each box for each trip the student rides

Monitor/Aide Name(s):

Certified as correct to the best of my knowledge:

Printed Name of Person

Title

Signature

Date _____

Completing This Form